

Secures Amendment Protecting Louisiana's Wetlands Restoration Funding from Cuts
June 26, 2009

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"I opposed this bill a month ago in the Energy and Commerce Committee because I believed it would hurt my district and the people I represent, and I voted against it today for the same reasons," said Rep. Melancon. "The oil and gas industry is the engine driving south Louisiana's economy, providing good-paying jobs to hundreds of thousands of our workers for generations.

"Rising sea levels and more frequent hurricanes are serious threats to south Louisiana, threats caused by climate change. We must work together as a nation to reduce the pollution causing this climate change, but not on the back of our energy industry in Louisiana. I will continue to use my vote in Congress to protect jobs and businesses in our state and create a brighter future for our children."

Rep. Melancon was successful in including an amendment in the bill that would protect Louisiana's share of wetlands restoration funding from cuts indirectly caused by hurricane disaster assistance. The American Clean Energy and Security Act creates a market-based cap-and-trade system under which industries and utilities will buy carbon "allowances" from the federal government. Businesses and utilities that reduce their carbon output below the "cap" will be able to sell their extra allowances to businesses that exceed the cap.

The federal government will also distribute to each state a share of the proceeds from the sale of the allowances for the states to use for wildlife and natural resource protection and also for domestic adaptation purposes, like wetlands restoration, to reverse the effects of climate change.

Each state's share of allowances is determined by their per capita income, with less wealthy

states receiving a greater portion. Rep. Melancon successfully argued to his colleagues that, due to the influx of federal recovery dollars and insurance payments following hurricanes, Louisiana regularly experiences an artificial spike in its per capita income. The Melancon amendment directs that revenue directly resulting from a presidentially declared major disaster will be excluded when calculating per capita income for the state allowances. This includes revenue from property and casualty insurance, individual and family grants from FEMA, the Disaster Housing Program of FEMA, the Community Development Block Grant Program of the Department of Housing and Urban Development, the Disaster Unemployment Assistance Program of the Department of Labor, and any other source determined appropriate by the FEMA Administrator.

"This amendment ensures that coastal states like Louisiana - those most in need of adaptation money to rebuild their wetlands and protect themselves from future hurricanes -- will not be punished for receiving disaster aid," said Rep. Melancon. "While I cannot support the bill as a whole, I am pleased this amendment was included."

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